1855

OBSERVATIONS

ON,

And a SHORT

HISTORY

OF

IRISH BANKS

AND

BANKERS.

By a GENTLEMAN in Trade.

——Exhauſted, ſunk, drain'd by ten thouſand arts
Of lawleſs Impoſition.—— THOMSON.

DUBLIN

Printed, and Sold by the Bookſellers.

M DCC LX.

1760

BRITISH MUSEUM

OBSERVATIONS

ON,

And a SHORT

HISTORY

OF

IRISH BANKS

AND

BANKERS.

THOUGH it ſeems to be acknowledged on all hands, that the trade of this kingdom, from the ſcarcity of ſpecie, cannot be carried on extenſively, without ſubſtituting a paper currency to anſwer in lieu of ſpecie; and, that bankers notes have been found the moſt convenient ſubſtitute to anſwer this end; yet,

from the many diſappointments which the public have met, by the failure of paper currencies, that have, from time to time, been inſtituted here, it would almoſt induce us to think, that private banks are rather deſtructive, than neceſſary to trade.

And however the iſſuing bankers notes may, for a time, enliven buſineſs, excite induſtry, and quicken trade; and, by ſuch an acceſſion to the primitive ſtock of current ſpecie, we are enabled to imploy more hands to manufacture more and better goods; yet the abuſe of the public confidence by bankers, who have iſſued their notes to an amount vaſtly ſuperior to their real and perſonal eſtates, (for there is no ſetting bounds to a private banker; once he is eſtabliſhed, he may ſtrike off copper-plates for 200,000 as ſoon as 10) have convinced the holders of this paper money, that they poſſeſſed imaginary inſtead of real wealth. Many gentlemen and traders, ſince the cuſtom of iſſuing bankers notes without limitation became

came common, found their rents advance, and their ſtocks increaſe, imagining themſelves much more opulent than they really were; and as luxury will ever be the concomitant of riches, the frugal œconomy of their living was changed, ſplendid equipages and ſumptuous entertainments became general; not content with the produce of their own country, the merchants were obliged to introduce that of other nations, who were arrived to a higher refinement in living, and did not only adminiſter to the luxury of the great, but quitting that frugality, which ought ever to be the characteriſtic of a trader, became themſelves involved in the general folly.

This change of manners was founded upon the ſuppoſition of wealth; the ſtate of the kingdom ſeem'd flouriſhing; every man found himſelf in poſſeſſion of a greater or leſs proportion of the paper money, and, in ſuch proportion, did he increaſe the charge of his living, and regulate his new modes of luxury.

And

And though it be acknowledged that, where a kingdom is only poſſeſſed of a ſmall ſtock of current ſpecie, it is neceſſary to inſtitute a paper currency, in order to quicken induſtry; yet if this paper is iſſued without bounds, or limitation, admitted that even the ſecurity was good, yet as in buſineſs it anſwers the end of money, the price of labour muſt thereby be inhanced: gold and ſilver will find leſs admiſſion; the manufactures will be brought to market at a higher price; other nations will under ſell us, and the nobility and gentry, annexing the idea of real to nominal riches, will be prompted to increaſe their luxury; our imports will run high, whilſt our exports diminiſh; trade will decay, and we muſt, through a gradual ſcale of deſcenſion, find ourſelves reduced to our primitive poverty, with corrupt manners and falſe appetites.

The above picture of the evil conſequences, which muſt neceſſarily flow from an unlimited paper currency, will not ſeem exaggerated to any one, who takes a retroſpect of

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the fatal calamities which have befallen this kingdom, by the abuſes of private banking. Have we not ſeen a gentleman, this day, poſſeſs'd of ſome hundreds, and, the next, not able to reckon as many ſhillings; he, who could have bought a gilded coach but this week, and purchaſed hogſheads of claret, finds himſelf, in a few days, unable to ſupport the common expences of his already retrenched table. The merchant is rendered unable to pay the duties of his merchandize; the grazier, in vain, increaſed his herds and flocks; the manufacturer has his warehouſes filled with goods, for which there is no demand; and to ſo ſmall cauſes do we ſometimes owe the greateſt events, that this intire ſtop to the national induſtry, is ſimply occaſioned by a banker's ſhutting his hall-door.

This ſort of diſappointment has occurred ſo often within a few years, that really they cannot be ſaid to ſpeak without reaſon, who cry aloud for a national bank, or ſome other inſtitution, which, ſince we muſt have a paper

per currency, may give it ſuch a permanent foundation, as will prevent a return of thoſe evils which we have already but too often felt.

The manner in which private banks have been carried on here, has proved ſo burthenſome to the nation, that we may now rejoice to ſee the period of their removal ſo near. Have they not, even whilſt they flouriſhed by making a monopoly of credit, wreſted from the merchants, in conſequence of having the national property in their hands, a branch of buſineſs which naturally belonged to their profeſſion? I mean, the exchange buſineſs. Have they not moſt ſhamefully converted themſelves into brokers, purchaſing bills from thoſe that were neceſſitated to ſell, and holding them for a better market? Have not bankers made themſelves the very wheel by which the value of bills is raiſed or lowered? How unnaturally, when they had credit, have we ſeen exchange from this to *London* ſtretched up to 11½ *per cent.* and afterward precipitated

precipitated down to 8, juſt as they ſent out, or brought, money into the kingdom? Is it long ſince we have ſeen them purchaſing all the foreign coin, that had any circulation in this country, and ſending it out of the nation? In ſhort, though they are excluded from commerce, is there an evil, which can ariſe from the monopoly of money, which they have not produced? And how partial the little good which the community has reaped from them! If a merchant had occaſion for preſent caſh, and applied to have money for the beſt guarantee'd trader's note, or moſt unexceptionable bill of exchange, has he not been told, with haughtineſs and contempt, 'We do nothing now; perhaps we may 'oblige ſome particular friends in a few 'weeks?'---Theſe are but a few of the many evils which ariſe from the abuſe of banking.

I am by no means convinced, that we are under any neceſſity of a paper currency in this kingdom; for it ſeems evident, that,

if we were reduced to our original ſtock of ſpecie, and a proper confidence eſtabliſhed betwixt traders, which, indeed, the failure of banks has contributed to remove; as labour and proviſions would be reduced to a moderate price, our manufacturers would increaſe the quantity of their goods, our imports would decline, frugality would take place of profuſion and extravagance, a balance of real wealth would ariſe in favour of the nation, the induſtrious claſs of the community would live comfortably, and riches would have a more equal diffuſion through all degrees of people.

Private bankers carrying on their trade, agreeably to its natural and original deſign, which was to aid and aſſiſt the induſtrious, by giving a circulation to money, which might otherwiſe lie idle in the coffers of the landed gentlemen, and thoſe who had accumulated fortunes by trade, ſo far from being deſtructive, would be of infinite advantage to commerce; but when they tranſcend this

point,

point, and, inſtead of diſcounting, and giving the public money a general circulation through induſtrious and uſeful hands, they purchaſe large eſtates, throw the ſpecie of the nation out of its proper channel, barter the property of the public for precarious titles and intailed eſtates, to be ſquandered in conſuming foreign luxuries, to be imployed in riot and diſſipation; whilſt thoſe, whoſe induſtry would increaſe the national ſtock, and bring in real wealth to the kingdom, are rendered incapable of extending their trade by this improper diſtribution of money.

As it is the punctual diſcharge of their notes, which conſtitutes the public confidence in bankers, ſo, whenever, by the above practices, they are diſqualified to anſwer the demands that ſome ſudden accident may bring upon them, then the unſatisfied creditor is ſhewn a long catalogue of parchment, or bank ſecurities, mortgages, bonds, deeds, foundations for innumerable chancery ſuits, perhaps, in the whole, amounting to very

near what they ſtand engaged for to the public; and he is told, that from the preſent ſcarcity of ſpecie, though, ten to one, occaſioned by themſelves, they are prevented from cancelling their notes for more than a few thouſands which they have in the houſe.

The public voice is high in demanding; they are neceſſitated to beg a compoſition for time; the creditors are diſappointed; hundreds of thouſands that, but yeſterday, might have ſtood for money, are, in one moment, annihilated, or, which is the ſame thing, the trade of the nation reduced to a dead ſtagnation, until the banker ſhall think proper to propoſe to pay the principal, and 5 *per cent.* intereſt, or 13*s.* 4*d.* or 2*s.* 6*d.* in the pound. We have had ſo many inſtances of diſappointments from the infidelity of bankers, ſince their firſt inſtitution in this kingdom, that it is unneceſſary, among ſo many recent teſtimonies, to conjure up the ghoſts of the deceaſed, to haunt the minds

of

of thouſands who have ſuffered ruin by their iniquitous proceedings.

But in order to convince the public, that they can never rely upon the fidelity of bankers, under the preſent regulations, it will be only neceſſary to give an hiſtorical ſketch of a late banking, or receiving-office, inſtituted, in this city, by perſons, on whoſe probity, honour, and integrity the kingdom had the higheſt dependance.

But before we enter upon this narration, it is proper to obſerve, that, at the time when this receiving-office, or bank, was erected, public credit began to revive, and the wounds ſhe had received, by the ſucceſſive failures of banks, were well nigh healed; the principals of the office did not ſet out with a deſign of accumulating all the ſpecie of the nation; but, when they found the public confidence ſo ſtrong, they ſet no bounds to their receipts; they iſſued them to an immenſe amount, and traded upon the public money,

money, allowing a ſmall bounty to the lender, and giving out themſelves upon high intereſt.

I am perſuaded that a little attention to the management of the receiving-office will be ſufficient to prove, that, ſince its inſtitution, public credit, the ſoul that animates the body of commerce, has droop'd, languiſhed, and is now utterly extinct.

At the time when the three worthy perſonages, who compoſed the company of the receiving-office, lately held in *Caple-ſtreet*, firſt propoſed to receive the money of the nation, and give, in lieu thereof, their new and unprecedented receipts, the generality of people, who are ever to be duped by the ſame arts, and caught by the ſame baits, forgetting their former ſufferings, gave at once into this propoſal, and thought they could not, with ſo much ſafety, make a depoſit of their money in any hands, as in thoſe of gentlemen of ſuch ſuperior eminence, gentlemen

ſo largely truſted by their king and country, certain that men, ſo circumſtanced, would never forfeit the confidence of the public.

A ſtrong opinion of the integrity, no doubt of the property, and aſſured of the honour of this right honourable and honourable triumvirate, the public, of all ranks and denominations, conſorted to the receiving-office, and there exchanged their ready ſpecie for what afterwards appeared to be only unaccountable receipts: lured by the premium of 2*l.* 3*s.* 4*d. per cent.* thoſe, who could ſpare any ſum for ever ſo ſhort a time, immediately hurried to the office, and availed themſelves of the little intereſt, which a few months, or, perhaps, weeks would produce; always ſure, as they thought, of having their principal and intereſt returned as ſoon as demanded.

The receipts of the office had a pretty general currency for ſome time near twelve months; but, about this period, an effect was produced, which was as alarming as unexpected;

expected; for no body ever once imagined that the immenſe ſums, which came within the vortex of the office, were to be ſwallowed up, never more to reviſit the light: danger, at this time, threatened us from without; and, though we were inſenſible to our internal ſufferings, and blind to the glaring ruin the office was preparing for us at home, we were ſoon alarmed at the apprehenſions of a *French* invaſion.----The triumvirate, poſſeſſed of more knowledge and foreſight than the undiſtinguiſhing multitude, perceived what muſt be the effects of the people's fears; they ſaw that the vaſt ſums, depoſited with them, would now be called for; and that every man would chuſe, in times of tumult, to have the management of his own little property.

In conſequence of theſe apprehenſions, it was natural (for they only knew how far they were diſqualified to account with the public) to take ſuch ſteps as would moſt effectually ſilence the clamours of the people, until the alarm

alarm was over; and here it is worth remarking, how fond ſome, in power, were of propagating the danger of an invaſion, in order to anſwer their ends, and others, of a more ſubordinate claſs, ſuing for means to prevent the bad effects that the notion of danger muſt produce.

The triumvirate, being all men who were ſtrongly connected with the *great*, procured a propoſal from the chief governor to the nobility, gentry, merchants, and traders, requeſting them to form an aſſociation in ſupport of public credit, obliging themſelves to receive bankers notes as ſpecie, in every tranſaction of buſineſs. This was a propoſal highly worthy of the noble perſonage from whom it came; but will not ſome ſuſpicious and evil-minded people be ready to conclude, that the aſſociation was rather formed with an eye to ſupport the triumvirate, whoſe parliamentary influence is almoſt univerſal, than to give any ſanction to the national credit? At this day many, I fear, entertain ſuch ſentiments;

particularly when it is rumoured, that the ſame noble perſonage, upon a very late intereſting occaſion, denied to aſſiſt public credit, with a few guineas of the public money, when an undeniable ſecurity was propoſed, and the money engaged to be returned, to anſwer the exigencies of government.

Convinced I am, that, at ſuch a time as this, the noble perſonage would exhauſt the laſt ſhilling of the treaſury, ſo far as it could be done conſiſtently with the neceſſary expence of government, in order to revive the drooping head of public credit :----but, alas! every one will not think with me; the undiſtinguiſhing croud will ſay, had thoſe, who made the laſt propoſal, been in poſſeſſion of the ſame parliamentary weight which propt the triumvirate, and coincided as exactly with every meaſure of government, they would not have been deny'd; they would have had the aid, they would have had the ſanction of government. I hope the reader will pardon this digreſſion, when he ſees, that it is intirely

calculated

calculated to remove any prejudices that may be conceived againſt the innocent.

The propoſal for the aſſociation met with that ſucceſs which it deſired; but people, who before had never entertained the leaſt doubt of any bank then eſtabliſhed, began now to perceive, that there muſt be ſome latent cauſe which produced that ſollicitation, diſcovered by the triumvirate and one of the bankers, in order to effect their purpoſe.

Thoſe who were poſſeſs'd of paper ſecurities, began to make enquiry into the cauſe of the aſſociation; and when they found that it took its riſe in the receiving-office, where all the current ſpecie of the nation had been lodged, many declined ſigning it, as they intended immediately to call for the value of ſuch paper as they imagined leaſt ſecure.

The day ſucceeding the aſſociation, crowds of people attended at the receiving-office, and loudly demanded their money; but their cla-

mour produced no other effect, than that of obliging the triumvirate to avail themſelves of a very ſalutary clauſe in their receipts, wiſely prepared againſt a foreſeen day of trial. Every one knows that the receipts were ſo framed, that the iſſuers of them could, at any time, (by accepting them only) wave payment for ten days after demand.

The diſtreſſed trader, returning from the office, knew not how to diſcharge his bills of exchange, or pay the duties of his merchandize with ſlips of copper-plates, payable in ſeven days, and three days of grace.

The public now began in earneſt to feel the melancholy effects of the office; diſappointed where they imagined themſelves moſt ſecure, a doubt of all bankers ſucceeded the broken faith of the triumvirate; and a gentleman, ſuppoſed to be connected with the receiving office, became the firſt ſacrifice to their diſtruſt,----they demanded their money;

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he honourably paid as long as any ſpecie remained; but the artful bait of a ſmall premium, thrown out by the great triumvirate, lured the unwary publick to the office; and withdrawing their money from the hands of honeſt, though not right honourable bankers, depoſited it there; and, by this means, the honeſt gentleman was obliged to ſtop payment. However, he very juſtly acquitted himſelf to the publick; and every one ſeems well ſatisfied with his proceedings: rather aſcribing his misfortunes to that ſource of all our miſery, the office, than to any ſiniſter intention of hurting the public: and, by the way, it would be unjuſt not to obſerve, that this gentleman had always acquitted himſelf well in the diſcharge of his buſineſs, and diſcovered none of that narrow avaricious ſpirit, which is ſometimes to be met with in men of the ſame profeſſion.

However, his failure gave a fatal wound to the credit of the nation; and the perſons, concerned in the paper of the office, became more

more anxious than ever about the fate of their properties lodged there; every one longed to ſee the days of grace elapſed, expecting that ten days reſpite from paying, would enable the *receivers general* to diſcharge all demands that could be brought againſt them. But, alas! how were they diſappointed! Could they think, or will poſterity believe, that theſe gentlemen, after taking advantage of the little piece of chicanery contained in their receipts, after uſing every art of procraſtination, after packing party conventions to aſſume the name of the public, in order to give a ſanction to their receipts; will it, I ſay, be credited, that the day before the abſolute time came, when the creditors muſt be ſatisfied, they publickly declared themſelves bankrupts, begg'd a compoſition from the people, and ſued for a transformation of their receipts into promiſſary notes payable in months and years. The amazed auditors, ſuch as were not kinſmen, adherents, and partizans, were ſtruck dumb with aſtoniſhment; their fears ſucceeded

ceeded their ſurprize, and many, convinced that they had no alternative, accepted the CANDID, GENEROUS, HONEST propoſal of the receivers. And thus, by becoming *bankrupts*, they loſt the name of *receivers*, and were, in a twinkling, conſtituted *bankers*, indebted to the publick more than 200,000 *l.*

Indeed, one gentleman, at this meeting, had the courage to raiſe a doubt, which, however, was ſoon cleared by the right honourable triumvir, who has ſo eminently diſtinguiſhed himſelf in the practice of the law and the cauſe of liberty; but whether his ſolution of the gentleman's queſtion be much for the honour of the new bankers, will beſt appear by laying it before the publick.

The gentleman apprehended, that changing the receipts of bankrupts into notes, was an alteration that would exclude the creditors from the benefits of the banking act: but he was told, that the act was not at all converſant about receipts: and the perſon, who told

told him ſo, ſaid, that, from his little knowledge of the law, he apprehended that notes would be *infinitely a better* ſecurity than *receipts.* Now I leave every impartial man to judge if this was not publickly avowing, that the *receivers* had artfully contrived an inſtrument that was *illegal,* and that could not affect them at any time they choſe to ſtop payment.

The triumvirate and their friends, at this meeting, endeavoured to perſuade the creditors, that it was for their advantage to receive the propoſal; and argued, that although a ſcarcity of ſpecie had prevented them from ſatisfying the public at preſent, yet as their eſtates and bank ſecurities were more than adequate to the ſums they had received, and as they were content to give 5 *l. per cent. per annum* until the notes were diſcharged, they apprehended the creditors might reſt ſatisfied. But however demonſtrative this ſort of reaſoning might be to ſome, there were others who had not diſcernment enough to find out the

juſtneſs

juſtneſs of this bank-logic; and, indeed, this latter ſort did not ſtop to declaim loudly againſt the receivers; they deſired to know how the immenſe ſums, depoſited in the office, were diſpoſed of? To what was the ſcarcity of caſh owing, as the calamity was not brought on by the people, but by the receivers? Why ſhould not the authors be the ſufferers? Why ſhould not the creditors have *6 l. per cent.* for their money? But to all theſe impertinent interrogatories no other anſwer was made, than that the propoſal was fair and honourable. This was echo'd through the room by ſome *great* men who attended to grace the meeting, and by ſome dealers in money. Theſe declared, that the ſecurity was ſo good, and the intereſt ſo high, that, in a few days, the notes of the receivers would bear a premium. This aſſertion, abſurd as it was, prevailed with many to accept of them; but, in a very little time, they were convinced of the inſincerity of thoſe by whom they were ſo egregiouſly duped; for ſhortly after the meeting, the monied men

availed themſelves of the diſtreſs of ſuch as they perſuaded to hold the notes in expectation of a premium; and, inſtead of giving a bounty to the holder, were not aſhamed to purchaſe them at 96 *l. per cent.* the growing intereſt to the buyer; and, indeed, many were neceſſitated to ſell on theſe diſadvantageous terms. At the *Cuſtom-houſe* it was no unuſual ſight to ſee men, with diſtreſs pictured in their countenances, beſeeching the merchants, who had duties to pay, to paſs to the collector ſome of theſe notes, allowing all the intereſt to the receivers, (for the perſons concerned in the treaſury had opened this ſmall channel for the circulation of ſuch of the receivers notes as were payable in ſix months after the failure;) but, alas! how little did ſuch a partial currency avail, when one hundred and fifty thouſand pounds lay dead to the nation.

From the above account of the receiving-office, it will evidently appear, that the proceedings there produced the failure of Mr. *Mitchel*, and weakened the confidence which

the publick had repoſed in other bankers. Thoſe houſes, which uſed to aſſiſt merchants, were rendered incapable of anſwering this only uſeful purpoſe of banks; for beſides that all the money, by virtue of the premium, had been drawn into the office, they were obliged to keep themſelves prepared to diſcharge their outſtanding debts, which they naturally enough apprehended muſt be called for, as ſo imminent a breach of faith in one houſe, muſt deſtroy the truſt repoſed in all.

Were we to look back from the period of which we are now ſpeaking, perhaps it would be found, that there are ſome other cauſes which have contributed to the ruin of publick credit in this kingdom; and I am apt to believe that, firſt, the reduction, and, next, the total abolition of the *Spaniſh* coin may be looked upon as the ſources of the preſent evil; the diminution of the guineas, by which means thouſands were carried to *England*, contributed a ſhare; and that pernicious cuſtom of giving ſmall premiums by bankers,

gave an effectual ſhock to credit. Indeed, the office, by refining upon this deſtructive plan, increaſed the premium, monopolized the ſpecie, and left publick credit reduced to the moſt languiſhing condition. Perhaps theſe accumulated misfortunes might, by ſome wiſe regulations, and ſalutary interpoſitions of government, have been redreſſed, had not the enormous weight of a national loan cruſhed the tottering fabrick into utter ruin.

Whether it was, or was not, neceſſary to inſtitute loans in this kingdom for its defence, is not my buſineſs to enquire; certainly it muſt have been thought expedient, by the repreſentative body of the people, who are the beſt judges of the national wants, otherwiſe they never would have ſo readily concurred, at ſo unſeaſonable a time, to ſaddle this nation with a debt, from which their poſterity will not be excluded.

The nation cries loudly for relief in its preſent diſtreſſing circumſtances; and I wiſh

it

it were in my power to offer any hints that might contribute to ſo ſalutary an end. What has occurred I ſhall offer to the publick conſideration.

And if the cauſes be ſuch as have been ſhewn, the method of redreſs will be to remove theſe cauſes, or elſe to endeavour to make them produce contrary and better effects.

Firſt then, in order to augment the national ſpecie, foreign coin ſhould be introduced; and this ought always to circulate at its value, leſt bankers and merchants (as has lately been the caſe) ſhould be tempted, on account of a ſmall profit, to export it out of the kingdom. Though the good effects of encouraging the importation of foreign coin, ſuch as *Spaniſh*, *French*, and *Portugueſe*, and giving it a circulation, would not ſo immediately produce the eſtabliſhment of public credit, it would be the means of rendring it leſs precarious for the future; for, by introducing

ducing real wealth, we would exclude the neceſſity of a too extenſive paper currency.

Secondly, The legiſlature ought to make it highly penal for any perſon, following the buſineſs of a banker or diſcounter, to give any premium whatſoever for the ſums lodged in their hands. By this means they would not be neceſſitated to lay out their money, even upon ſlender ſecurities, in order to make the moſt of it, but would be able to retain ſuch a ſum for the current buſineſs, as would render them able, at all times, to account with their creditors.

Thirdly, If it ſhould be found agreeable to the wiſdom of the legiſlature to paſs an act, notwithſtanding what has been done, to inveſt the eſtates, real and perſonal, of Meſſrs. *Malone* and company in proper truſtees for immediate ſale, it would contribute greatly to reſtore that credit which they have deſtroyed.

It would be abſurd to imagine, that the legiſlature

legiſlature could not alter any act of theirs, which ſhould produce contrary effects to what was intended. Therefore, although one branch of the legiſlature have reſolved upon borrowing 450,000 *l.* now, when they find that the reaſons which induced that loan are no more, and that the national credit ſuffers by filling it, (for it is evident, that the high intereſt, given by the government, produced the failure of Meſſrs. *Dawſon*) can they not, with the greateſt propriety, contract the manner of filling the loan, or ſuch part as they may chuſe to continue, by entering into a reſolution, that only ſuch a ſum ſhall be ſubſcribed, every month, as will be neceſſary to anſwer the moſt preſſing exigencies of government. This will prevent the demands upon the preſent bankers, and contribute, in a great meaſure, inſtantaneouſly to the revival of credit: and a reſolution of the houſe, ſetting forth their opinion, that the notes of Meſſrs. *Dawſon*, and the other ſubſiſting bankers, ſhould paſs, as ſpecie, at the Cuſtom-houſe, the Treaſury, and in eve-

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ry tranſaction of buſineſs, would effectually reſtore credit to the only height that the preſent circumſtances of affairs will permit.

The abuſe of private banking, in this kingdom, has been productive of many evils: for, not to mention, that, ſince their firſt inſtitution, above one million of their paper has been rendered uſeleſs, from time to time, and great part of it, in all probability, will never be made good to the public; the effect their failures have had upon trade, has been a principal cauſe why we have not increaſed our chief manufacture to a degree proportioned to the length of time in which it has been eſtabliſhed. Theſe are aſſertions founded on fact; every body knows them, every body feels them.

The perſons immediately concerned in bank paper, are not the only ſufferers at the time of a failure; for theſe ſhocks to credit create a diffidence and mutual diſtruſt betwixt private perſons; every man entertains

ſuſpicions

ſuſpicions of his neighbour, not knowing how he may be connected either with the bank, or with thoſe who are ſufferers by its failure. Conſequently, private, as well as publick credit ſuffers by theſe diſappointments.

However, every man, who maturely conſiders the preſent affecting diſtreſſes of the nation, will find, that a number of concurring circumſtances, ſome of which have been pointed out, combined to produce this melancholy period. Before the inſtitution of the bank of Meſſrs. *Malone* and company, as has been hinted, credit began to revive, the nation had put limits to bank paper, by denying it a general circulation, (for it is well known its chief currency was confined to this city.) But the confidence men repoſed in the three gentlemen of this company, produced the ſame evil, of which the nation was getting the better: they forfeited their truſt, they deceived the public, and, inaſmuch as the dependance

in them was greater, the greater latitude they had to deſtroy: they availed themſelves of the people's credulity, and ruined the kingdom. Had the legiſlature, inſtead of ſcreening them from the people's demands, compelled them immediately to make reſtitution, it would have deterred others from attempting again the deſtruction of credit, and, in a good meaſure, prevented the calamities which we now feel.

It may here be obſerved, that another principal cauſe of the preſent ſcarcity of ſpecie is, the yearly drains which are produced by the abſentees. Many gentlemen, from an opinion of the immenſe riches of this kingdom, occaſioned by the unbounded paper circulation, are induced to augment their expences; and, by mortgaging their eſtates for bank notes, (which is effected with the greateſt facility, the banker having it in his power to pay thouſands in an inſtant) become poſſeſſed of the means of tranſporting themſelves into the mother country; for, if called upon, the

the banker muſt withdraw the current ſpecie out of its proper courſe, and diſcharge his notes, as they happen to have no circulation on the other ſide the water. Therefore, young gentlemen, from this eaſy method of transferring real property, are tempted to baniſh the œconomy of their fathers, and fall in with the luxury of the preſent times.

From what has been ſaid, it will appear, that there is a ſtrong neceſſity of bringing banks under proper regulations; and as the legiſlature are, at this time, endeavouring to find out the ſources of our miſery, with intention to relieve us, it would well become every man, whoſe knowledge and experience in buſineſs, qualifies him for the taſk, to lay before the publick his ſentiments on theſe ſubjects; and though no particular perſon ſhould offer an intire ſcheme to anſwer the end, yet ſuch hints might be thrown out, as would point the road to thoſe, whoſe wiſdom and juſtice would give it the finiſhing hand.

From the favourable acceptance which the merchants petition found from the repreſentatives of the nation, we may conclude how ready they are to receive aſſiſtance from their conſtituents, in matters of the higheſt nature; and it behoves thoſe, who ſhall have the honour to be called before the committee, to give their ſentiments without reſerve; neither to be awed by power, reſtrained by fear, or biaſſed by ſelf-intereſt. If the merchants of *Dublin* are freemen, if they are honeſt men, they ought to ſpeak with ſpirit, with zeal, and with becomiug decency: they have a right to petition; they have a right to ſhew their grievances, let the cauſe lie where it will; and they have a right to be heard.

Perhaps, upon this occaſion, it would not be improper to hint, that a national bank would be one means, if not the intire means, of ſetting paper credit upon a fixed foundation, and circumſcribing it within proper limits.

For

For until our paper currency has the ſanction of parliament, or is fixed upon ſome more ſettled foundation than at preſent, will it not be in the power of every petty officer of exciſe to ſtop its circulation when he chuſes, as was the caſe, the other day, at our Cuſtom-houſe, when the clerk of a collector had the impudence to refuſe even the notes of ſuch bankers as were ſubſiſting, thereby putting a ſtop to buſineſs, and increaſing the general diffidence, until his maſter vouchſafed to appear, and compell'd the fellow to receive them.

It cannot be denied, that every mode of luxury and refinement, in the mother-country, has found a favourable admiſſion into this; and ſo far are they from diſagreeing with our barren ſoil and inclement ſkies, that they ſeem to thrive under our foſtering care.

Then, ſince we find that we are able to rival our mother-country in her follies, would it not be worth our emulation to imitate her wiſe and prudent regulations with reſpect to trade?

Let

Let her good policy in erecting a national bank, which has fixed her credit upon a laſting and permanent foundation, direct us in forming a ſimilar inſtitution, agreeable to that model, as far as our conſtitution will admit. Many objections have been raiſed againſt a national bank in this kingdom; but as no argument will hold againſt it, that will not have the ſame force againſt private banks, all theſe objections will vaniſh, when we conſider its ſuperiority in point of ſecurity. This inſtitution having fixed property for its foundation, places it upon an eminence far above thoſe unſtable, fluctuating paper-currencies, which have ſo often brought diſtreſs upon the nation.

And I am perſuaded, when the two ſchemes are weighed in the balance of legiſlative wiſdom, that the preponderating ſcale will incline to a national bank.

There are ſome who think, that, as a national bank, from its ſecurity, would become the chief repoſitory for all the current ſpecie,

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it would be dangerous for a kingdom, in our dependent ſtate, to throw ſo tempting a bait in the way of an avaricious viceroy, leſt his influence might ſome time afford him an opportunity of laying his hand upon it; but until our repreſentatives are ſo thoroughly corrupted, as, by a majority, to give a ſanction to the breach of every law which ſupports liberty and guards property, this can never be the caſe; and if ever they ſhould become ſo venal, it matters not where your wealth lies, whether diffuſed in many banks, or collected in one.

If a national bank is inconſiſtent with liberty, the legiſlature will never erect ſuch an inſtitution; but they will eſtabliſh private banks, on a more ſecure footing; they will limit their paper; they will make them regiſter their landed properties, and iſſue no notes beyond that amount: but if a national bank cannot be inſtituted conſiſtent with our ſafety, and the preſent banks are to remain on the ſame footing, it were better we had no paper credit at all: for, by removing them, diſcount-

offices

offices would be erected, which give the money of the kingdom a more general circulation through the induſtrious and uſeful hands.

The foregoing looſe, indigeſted hints, are thrown out purely to induce ſome well-wiſher of his country, whoſe abilities are better ſuited for the taſk, to point out an addreſs of our preſent grievances; and if they ſhould have this effect, the author thinks himſelf fully compenſated for a few hours employment.

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